

STATE OF DELAWARE THE PUBLIC SERVICE COMMISSION

861 SILVER LAKE BOULEVARD CANNON BUILDING, SUITE 100 DOVER, DELAWARE 19904

> TELEPHONE: (302) 736-7500 FAX: (302) 739-4849

MEMORANDUM

PUBLIC VERSION

TO: The Chairman and Members of the Commission

Robert Howatt, Executive Director

FROM: Lisa B. Driggins, Public Utilities Analyst

DATE: June 13, 2017

SUBJECT: In the Matter of the Application of Teleport Communications America,

LLC for the Approval of Safety Valve Relief (Filed June 1, 2017) - PSC Docket No. 17-0408

Case Background

On June 1, 2017, Teleport Communications America, LLC ("Teleport") filed with the Delaware Public Service Commission (the "Commission") a "safety valve" application seeking to acquire one block of 1000 additional numbers for one of its corporate customers in Holly Oak Rate Center located in New Castle, Delaware after its request was denied by NeuStar, Inc. ("NeuStar"), the Federal Communications Commission ("FCC") designated "North American Numbering Plan Administrator" ("NANPA") and its "National Thousands Block Numbering Pool Administrator" ("PA").

To obtain additional number blocks of telephone numbers from NeuStar, the FCC requires that a telecommunications carrier must demonstrate to the NANPA/PA that: (1) the rate center equals or exceeds a 75% utilization level (meaning that the carrier is using at least 75% of the assigned numbers); and (2) its existing inventory of number resources within a particular rate center will exhaust within six (6) months (referred to as "months to exhaust," or "MTE").

According to the application, Teleport filed an application with NeuStar seeking one set of a thousand number block to serve a Delaware customer (a copy of which was attached to Teleport's proprietary version of its safety valve application). NeuStar asserts that the request

The Chair and Members of the Commission PSC Docket No. 17-0408 June 13, 2017 Page 2 of 3

for 1 set of 1000 telephone numbers was denied because it did not meet the Months to Exhaust (MTE) and /or Utilization requirements for the rate center. The utilization rate for the rate center was calculated to be 60.65%. This is below the NANPA/PA the utilization rate threshold of 75%.

Request for Safety Valve Relief:

Under 47 C.F.R. §52.15(g)(4), a state commission may grant "safety valve" relief allowing a carrier to obtain additional NXX numbers even if the NANPA/PA initially denies such a request. By PSC Order No. 7183 entered on May 22, 2007, the Commission adopted a process for reviewing these "safety valve" applications. Through its application to the Commission, Teleport has requested safety valve relief to obtain one thousand (1000) telephone numbers it requested, but was initially denied in its application to NeuStar.

As set forth in PSC Order No. 7183, any carrier seeking "safety valve" relief shall submit an application to the Commission that contains certain information to allow the Commission to make a reasoned determination. Each of the four (4) requirements and Teleport's response to that requirement is set forth below:

(1) A compelling and permissible need for the requested additional numbering resources (with appropriate reference to rules or orders of the FCC).

Teleport states that one of its Delaware customers, _____(Redacted)____, has an urgent need for 100 consecutive telephone numbers. Teleport asserts that the customer requires numbers that are not in a 0, 2. 6, or 9 block. Teleport does not have the current inventory to satisfy this customer's requirements. According to the Third Report and Order and Second Order on Recon. in CC Dkt. No. 96-98 and CC Dkt. No. 99-220, at ¶¶ 61-64, 17 FCC Rcd. 252 (2001) (the "Third Order"), a state commission may grant a carrier's safety valve request when the carrier receives a specific customer request for numbering resources that exceeds the carrier's available inventory. Teleport is unable to meet this customer's specific needs of consecutive telephone numbers without obtaining additional numbering resources.

(2) A description as to why the granting of the particular application will not run the risk that numbering resources will be inefficiently used.

The granting of this application by Teleport will not result in numbering resources being inefficiently used because Teleport will use the additional numbering resources for only this specific customer, _____(Redacted)____. Further, Teleport agrees to return the numbering resources to NeuStar if the customer request is withdrawn or declined. Teleport further agrees

¹ 47 C.F.R. §52.15(g)(3)(iv) provides in pertinent part as follows: "The state commission may affirm or overturn the NANPA's decision to withhold numbering resources from the carrier based on its determination of compliance with the reporting and numbering resource application requirements herein."

² As allowed by PSC Order No. 7183, Robert Howatt, Executive Director, has designated Lisa Driggins, a Public Utility Analyst, to review the application and prepare a memorandum of findings and recommendations

The Chair and Members of the Commission PSC Docket No. 17-0408 June 13, 2017 Page 3 of 3

that it will not retain the numbering resources to serve other customers without first meeting the FCC's growth numbering resource requirements per ¶64 of the Third Order.

(3) Written evidence that the NANPA or PA has rejected the carrier's direct request for the additional number resources.

Teleport included with its application: (1) a copy of the application filed with the NANPA/PA seeking one consecutive block of one thousand (1000) numbers in the FTWSPAFWX2X switch in the Holly Oak Rate Center; (2) a copy of the response from the NANPA/PA which denied the request; and, (3) a letter from the customer to AT&T TNAC which further details the need for the one hundred (100) telephone numbers.

(4) Describe any long-term impact to numbering resources if the request is granted.

Teleport asserts that there would be no long-term impact to the numbering resources in the State of Delaware. Teleport has stated the Holly Oak Rate Center has 35 pristine blocks and 9 partially contaminated blocks available. Teleport further states that with a total of 44 numbering blocks in this rate center, this request represents less than 3% of the total numbering resources available in the rate center. In addition, Teleport suggests that the Holly Oak area is a mature, developed area of the State of Delaware which cannot reasonably be expected to have significant additional numbering needs. As a result, this request represents a modest percentage of available resources and will not have an adverse impact on the numbering resources in this rate center and/or in the 302 area code. Further, it is projected that the total number of telephone numbers available in the 302 area code will not exhaust until 2027.

Recommendation

Staff has reviewed Teleport's application and finds that it has addressed the requirements set forth in PSC Order No. 7183 for the Commission to authorize the NANPA to release the numbering resources sought by Teleport in the attached application. Thus, Staff respectfully recommends that the Commission grant such request and direct that NeuStar, at the NANPA/PA, release the numbering resources to Teleport.

CC: Wendie C. Stabler, Saul Ewing LLP
Andrew Slater, Division of Public Advocate